



United Kingdom Emissions Trading Scheme – UK ETS permits general update

17 January 2022

UK ETS 2021 compliance deadline reminder

UK ETS TASK	DEADLINE
ALL operators to submit their verified Annual Emissions Report (AER) for the 2021 scheme year via ETSWAP.	31 March 2022
ALL operators who receive free allocation should submit their verified Activity Level Report (ALR) and verification report for 2021 using the annual emissions report workflow as per last year.	31 March 2022
Permit holders to surrender allowances in their Operator Holding Account (OHA), within the UK ETS Registry, equivalent to their 2021 reportable emissions.	23:59 (BST) on 30 April 2022

Activity Level Reports

Where an installations free allocation has been finalised, you can use the final version of your 2019/2020 ALR to complete your 2021 submission, using the AER workflow, as you did last year. This version includes bug fixes and the correct benchmark values and can be found in ETSWAP under the activity level change option and select 2021, from the left hand side of the options menu. This template will save time for processing post submission.

Installations that have yet to receive confirmation of the final allocation should continue to use the same template as previous. A blank template can be downloaded from the Authorities webpage.

Variation Applications

Before submitting a variation application in ETSWAP, please review your UK ETS permit and ensure it is fully compliant with the GHGE Trading Scheme Order 2020 (the Order) and the Monitoring and Reporting Regulation. Any reference to EU ETS should be amended both in the monitoring plan, monitoring methodology plan and any referenced procedure documents.

The GHGE Trading Scheme (Amendment) Order

The UK ETS Authority has published their [response](#) to the July 2021 consultation on a number of proposed amendments to the GHGE Trading Scheme Order 2020 (the Order).

They will now be proceeding with the GHGE Trading Scheme (Amendment) Order 2021 and the GHGE Trading Scheme (Amendment) Order 2022, which amend the Order.



[The GHGE Trading Scheme \(Amendment\) Order 2021](#) is expected to come into force on 7 February 2022.

ETSWAP Downtime

This is advance notice that ETSWAP will be unavailable from 17:30 hours on 26 January 2022 to 17:30 hours on 27 January 2022 for essential updates to the system. We understand that this is a very busy time of year for operators and verifiers due to compliance deadlines, so we wanted to give as much notice as possible to reduce any inconvenience this may cause.

UK Registry Accounts - All operators (incumbents, transfers & new entrants) All OHAs will be created by the Registry Administrator. The permit contacts will be notified by email of the new account number(s) along with details on how to get nominated Authorised Representatives added to these accounts.

If you do not already know your new OHA number or have at least one Authorised Representative enrolled on your new account, then it is imperative you contact the UK Registry Team for guidance on the next steps.

You need to check that all Authorised Representatives responsible for surrendering allowances still work for you, and are not long term absent (for example, on sick or maternity leave). If necessary, arrange for replacements in advance with early forward planning. Also, check the Authorised Representative(s) can still login to the Registry and access their account(s).

If you have any questions about the UK Registry and your Registry Account, you should contact the Registry Helpdesk: etregistryhelp@environment-agency.gov.uk

Operators should ensure that you have sufficient UK ETS allowances in your OHA to be able to carry out your surrender to match your reportable emissions and you can surrender multiple times if necessary. The latest you will be able to receive allowances in time to surrender them is 16:00 hours on Friday 29 April 2022, so please ensure allowances are delivered into your OHA in good time. It is recommended to surrender allowances well ahead of the official deadlines and note that the Registry Helpdesk support is only available up until 17:00 hours on Friday 29 April 2022.

If you fail to surrender sufficient allowances by 30 April 2022, you are liable to a mandatory civil penalty of £100 (multiplied by an inflation factor) for each allowance that you fail to surrender.

Government Response to public consultation

The UK ETS Authority has published the Government response to the public consultation on proposed amendments to the Greenhouse Gas Emissions Trading Scheme Order 2020 and can be found here:



<https://www.gov.uk/government/consultations/uk-emissions-trading-scheme-proposed-amendments>

Update on the replacement of IT permitting platform ETSWAP provided by the UK ETS Authority

ETSWAP is the current online permitting, monitoring and reporting tool for operators, verifiers and regulators across the UK. The UK Authority is currently undertaking a project to build an improved replacement system for ETSWAP that will be more adaptable to future policy changes in light of the UK Government's ongoing efforts to achieve Net Zero carbon emissions, a shared ambition across the four nations of the UK. This project is being implemented in collaboration with UK regulators as well as taking inputs from different users of the system including operators and verifiers. More information on this system, including details of when it is planned to replace ETSWAP, is documented below.

Please note that the dates included below are for internal planning purposes only and final confirmation of these dates will be issued following formal government approval in 2022.

UK ETS Monitoring Reporting and Verification Software Background

- A new digital permitting, monitoring, reporting and verification (PMRV) system is being developed to replace the current online permitting tool, ETSWAP.
- PMRV will meet Government Digital Service Standards, with user needs integral to the design.
- PMRV will continue to enable operators to fulfil their compliance obligations as they are currently doing in ETSWAP, but the main difference is there will be a GOV.UK standard look and feel and a simpler and more user intuitive experience and interface.
- The PMRV will be launched in a phased approach starting from Autumn 2022.

When is PMRV Intended to go live?

- Installation operators will use PMRV from Autumn 2022 and will use it to prepare their 2022 reports in time for March 2023 submission.
- Aircraft operators will continue using ETSWAP until Autumn 2023 when they will start using PMRV.
- When user's ETSWAP accounts closes they will not have access to their data in ETSWAP. The regulator will advise users how to save their data closer to the transfer date into PMRV. Users will be advised on what data will be available in PMRV.

How will this impact Installation/Aircraft Operators and their verifiers?

- Installations - Operators and verifiers
 - ETSWAP will be used for UK ETS compliance activities up to Autumn 2022.



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- During Autumn 2022 ETSWAP will be deactivated for operators and verifiers. They will then start using PMRV for UK ETS compliance activities, including submission of annual reports relating to 2022.
- During Autumn 2022, there may be a period when ETSWAP is not available for certain compliance activities. Regulators will keep users informed of what they need to do and when.
- Installation operators and verifiers will not have access to ETSWAP after it has been de-activated and are responsible for archiving their own data.
- Aircraft- Operators and verifiers
 - ETSWAP will be used for UK ETS compliance activities up to Autumn 2023.
 - During Summer 2023 ETSWAP will be deactivated for aviation operators and verifiers. They will then start using PMRV for UK ETS compliance activities, including submission of annual reports relating to 2023.
 - During Summer 2023, there may be a period when ETSWAP is not available for certain compliance activities. Regulators will keep users informed of what they need to do and when.
 - Aircraft operators and verifiers will not have access to ETSWAP after it has been de-activated and are responsible for archiving their own data.

How to stay updated on PMRV

- More detailed timings and deadlines will be communicated to Installation operators and verifiers in early 2022 and support will be provided to help them transition onto PMRV.
- Information will also be updated on the GOV.UK page <https://www.gov.uk/government/publications/participating-in-the-uk-ets/participating-in-the-uk-ets>
- If you would like to support the development of PMRV it is possible to be part of a user testing group. Please contact PMRV@BEIS.gov.uk to register your interest.
- For any further queries please contact PMRV@BEIS.gov.uk.

Kind regards
Business Support Team